

Indiana Economic Development Corporation

May 7, 2009

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Barbara McNutt Chief Counsel Indiana Professional Licensing Agency

Dear Ms. McNutt:

Pursuant to IC 4-22-2-28, The Indiana Economic Development Corporation ("IEDC") has reviewed the economic impact analysis for small businesses associated with rule changes proposed by the Indiana Professional Licensing Agency ("IPLA") on behalf of the State Board of Cosmetology Examiners ("Board") and contained in LSA Document 08-935. The proposed rule amends 820 IAC to bring the rules of the Board up to date with the current statutes, industry standards, and technology as well as addresses safety concerns for the salon patrons and cosmetology school patrons. The proposed rule repeals antiquated rules and amends rules regarding the sanitization standards and addresses the type of disinfectant that should be used when blood or body fluids are present. The proposed rule also is amends the rules to provide more options for record keeping taking advantage of new technology. The Board estimates that there are 89 Cosmetology Schools and 8,515 Cosmetology salons or shops that are small businesses and will be impacted by this rule.

The proposed rule decreases the number of years a cosmetology school must maintain records from seven years to five years. The Board is unable to determine the level of savings to small businesses that this change will provide. Costs resulting as a result of this proposed rule are incurred by the requirement that each entity use EPA registered disinfectants. The cost of this proposed rule is difficult to determine, because it is determined by the cost of the disinfectant product which can vary widely. Businesses will only incur this cost if they are not already using EPA registered disinfectants. There are administrative costs or reporting costs associated with this rule.

The IEDC does not object to the economic impact to small businesses associated with the proposed rule. The cost to small business is minimal and will not impact those businesses that are already using the required disinfectant products. The proposed rule is meant to not only update regulations to current industry standards, but to protect the public from infections from improperly sanitized facilities.

If you have any questions about the comments contained herein please contact me at 233-8962 or rasberry@iedc.in.gov.

Regards,

Ryan Asberry

Assistant Vice President

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